

**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation**

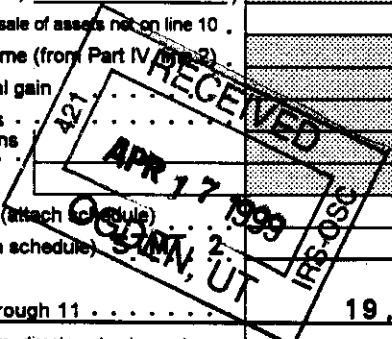
Department of the Treasury
Internal Revenue Service

Note: The organization may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year **1998**, or tax year beginning **1998**, and ending **1998**

Use the IRS label. Otherwise, please print or type. See Specific Instructions.	Name of organization HENRY KAUFMANN FOUNDATION C/O PROSKAUER ROSE GOETZ & MENDELSON		A Employer identification number 136034179
	Number and street (or P.O. box number if mail is not delivered to street address) 1585 BROADWAY		B Telephone number (see page 9 of the instructions) () -
	City or town, state, and ZIP + 4 NEW YORK, NY 10036		C If exemption application is pending, check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>	
I Fair market value of assets at end of year (from Part II, col. (c), line 16) 441,114.		J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis.)	
		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>	
		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>	
		G If address changed, check here <input type="checkbox"/>	

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Part I Analysis of Revenue and Expenses <i>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 9 of the instructions).)</i>				
Revenue				
1 Contributions, gifts, grants, etc., received (attach schedule)				
2 Contributions from split-interest trusts				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	19,748.	19,748.		STMT 1
5a Gross rents				
b (Net rental income or (loss))				
6 Net gain or (loss) from sale of assets not on line 10				
7 Capital gain net income (from Part IV, line 2)				
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less: Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)	228.	228.		
12 Total. Add lines 1 through 11	19,976.	19,976.		
Operating and Administrative Expenses				
13 Compensation of officers, directors, trustees, etc.				
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule) STMT 3	13,074.	2,614.	NONE	10,460.
b Accounting fees (attach schedule)				
c Other professional fees (attach schedule)				
17 Interest				
18 Taxes (attach schedule) (see page 12 of the instructions)				
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule) STMT 4	2,440.	2,358.		82.
24 Total operating and administrative expenses. Add lines 13 through 23	15,514.	4,972.	NONE	10,542.
25 Contributions, gifts, grants paid	284,500.			284,500.
26 Total expenses and disbursements. Add lines 24 and 25	300,014.	4,972.	NONE	295,042.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	-280,038.			
b Net investment income (if negative, enter -0-)		15,004.		
c Adjusted net income (if negative, enter -0-)				



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Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)

		Beginning of year		End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1	Cash - non-interest-bearing	15,245.	4,059.	4,059.
	2	Savings and temporary cash investments	269,320.	264.	264.
	3	Accounts receivable			
		Less: allowance for doubtful accounts			
	4	Pledges receivable			
		Less: allowance for doubtful accounts			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 14 of the instructions)			
	7	Other notes and loans receivable (attach schedule)			
		Less: allowance for doubtful accounts			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments - U.S. and state government obligations (attach schedule)	436,815.	436,791.	436,791.
	b	Investments - corporate stock (attach schedule)			
	c	Investments - corporate bonds (attach schedule)			
	11	Investments - land, buildings, and equipment: basis			
	Less: accumulated depreciation (attach schedule)				
12	Investments - mortgage loans				
13	Investments - other (attach schedule)				
14	Land, buildings, and equipment: basis				
	Less: accumulated depreciation (attach schedule)				
15	Other assets (describe)				
16	Total assets (to be completed by all filers - see page 15 of the instructions. Also, see page 1, item I)	721,380.	441,114.	441,114.	
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe)			
23	Total liabilities (add lines 17 through 22)				
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/>				
	and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Organizations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds				
30	Total net assets or fund balances (see page 16 of the instructions)	721,380.	441,114.		
31	Total liabilities and net assets/fund balances (see page 16 of the instructions)	721,380.	441,114.		

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	721,380.
2	Enter amount from Part I, line 27a	2	-280,038.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	441,342.
5	Decreases not included in line 2 (itemize) SEE STATEMENT 6	5	228.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	441,114.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold, (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a				
b				
c				
d				
e				
2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 11 and 16 of the instructions). If (loss), enter -0- in Part I, line 8	{ If gain, also enter in Part I, line 8, column (c) (see pages 11 and 16 of the instructions). If (loss), enter -0- in Part I, line 8 }		3	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the organization liable for the section 4942 tax on the distributable amount of any year in the base period? . . . Yes No
 If "Yes," the organization does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 16 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
1997	291,077.	710,892.	0.40945319402
1996	303,032.	1,228,312.	0.24670604853
1995	1,800,740.	1,410,687.	1.27649861380
1994	960,754.	2,047,141.	0.46931501054
1993	1,808,148.	3,765,845.	0.48014403142
2 Total of line 1, column (d)			2.88211689841
3 Average distribution ratio for the 5-year base period-divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			0.57642337968
4 Enter the net value of noncharitable-use assets for 1998 from Part X, line 5			492,167.
5 Multiply line 4 by line 3			283,697.
6 Enter 1% of net investment income (1% of Part I, line 27b)			150.
7 Add lines 5 and 6			283,847.
8 Enter qualifying distributions from Part XII, line 4			295,042.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 16.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 16 of the instructions)

1a Exempt operating foundations described in section 4940(d)(2), check here [] and enter "N/A" on line 1. Date of ruling letter: _____ (attach copy of ruling letter if necessary - see instructions)
b Domestic organizations that meet the section 4940(e) requirements in Part V, check here [X] and enter 1% of Part I, line 27b
c All other domestic organizations, enter 2% of line 27b. Exempt foreign organizations enter 4% of line 12b
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)
3 Add lines 1 and 2
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-
6 Credits/Payments:
a 1998 estimated tax payments and 1997 overpayment credited to 1998 6a 291.
b Exempt foreign organizations - tax withheld at source 6b NONE
c Tax paid with application for extension of time to file (Form 2758) 6c NONE
d Backup withholding erroneously withheld 6d
7 Total credits and payments. Add lines 6a through 6d 7 291.
8 Enter any PENALTY for underpayment of estimated tax. Check here [] if Form 2220 is attached
9 TAX DUE. If the total of lines 5 and 8 is more than line 7, enter AMOUNT OWED
10 OVERPAYMENT. If line 7 is more than the total of lines 5 and 8, enter the AMOUNT OVERPAID 10 141.
11 Enter the amount of line 10 to be: Credited to 1998 estimated tax 141. Refunded

Part VII-A Statements Regarding Activities

1 a During the tax year, did the organization attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 17 of the instructions for definition)?
c Did the organization file Form 1120-POL for this year?
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:
(1) On the organization. (2) On organization managers.
e Enter the reimbursement (if any) paid by the organization during the year for political expenditure tax imposed on organization managers.
2 Has the organization engaged in any activities that have not previously been reported to the IRS?
3 Has the organization made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments?
4 a Did the organization have unrelated business gross income of \$1,000 or more during the year?
b If "Yes," has it filed a tax return on Form 990-T for this year?
5 Was there a liquidation, termination, dissolution or substantial contraction during the year?
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either:
• By language in the governing instrument; or
• By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?
7 Did the organization have at least \$5,000 in assets at any time during the year?
8 a Enter the states to which the foundation reports or with which it is registered (see page 18 of the instructions)
b If the answer is "Yes" to line 7, has the organization furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G?
9 Is the organization claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 1998 or the taxable year beginning in 1998 (see instructions for Part XIV on page 23)?
10 Did any persons become substantial contributors during the tax year?
11 a Did anyone request to see either the organization's annual return or its exemption application (or both)?
b If "Yes," did the organization comply pursuant to the instructions?
12 The books are in care of JEFFREY A. HORWITZ Telephone no. 212-969-3299
Located at 1585 BROADWAY N.Y., N.Y. ZIP+4 10036
13 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041. - Check here and enter the amount of tax-exempt interest received or accrued during the year

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

- 1 Self-dealing (section 4941):
a During the year did the organization (either directly or indirectly):
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?
(6) Agree to pay money or property to a government official?
b If any answer is "Yes" to 1a(1)-(6), did ANY of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 18 of the instructions)?
c Did the organization engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 1998?
2 Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):
a At the end of the tax year 1998, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 1998?
b Are there any years listed in 2a for which the organization is NOT applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income?
c If the provisions of section 4942(a)(2) are being applied to ANY of the years listed in 2a, list the years here.
3 Taxes on excess business holdings (section 4943):
a Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?
b If "Yes," did it have excess business holdings in 1998 as a result of (1) any purchase by the organization or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period?
4 Taxes on investments that jeopardize charitable purposes (section 4944):
a Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes?
b Did the organization make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 1998?
5 Taxes on taxable expenditures (section 4945) and political expenditures (section 4955):
a During the year did the organization pay or incur any amount to:
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?
(3) Provide a grant to an individual for travel, study, or other similar purposes?
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?
b If any answer is "Yes" to 5a(1)-(5), did ANY of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 19 of the instructions)?
c If the answer is "Yes" to question 5a(4), does the organization claim exemption from the tax because it maintained expenditure responsibility for the grant?

Table with 3 columns: Question ID, Yes, No. Contains rows for questions 1a-1c, 2a-2c, 3a-3b, 4a-4b, 5a-5b, 5c with 'Yes' or 'No' or 'N/A' responses.

If "Yes," attach the statement required by Regulations section 53.4945-5(d).

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see page 19 of the instructions):

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 8		- 0 -	- 0 -	- 0 -

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 19 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 **NONE**

3 Five highest-paid independent contractors for professional services - (see page 19 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services **NONE**

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 NONE	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 20 of the instructions)

Describe any program-related investments made by the foundation during the tax year.	Amount
1 NONE	
2	
3	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 20 of the instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1a	465,942.
b Average of monthly cash balances	1b	33,720.
c Fair market value of all other assets (see page 21 of the instructions)	1c	NONE
d Total (add lines 1a, b, and c)	1d	499,662.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2 Acquisition indebtedness applicable to line 1 assets	2	NONE
3 Subtract line 2 from line 1d	3	499,662.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see page 21 of the instructions)	4	7,495.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	492,167.
6 Minimum investment return. Enter 5% of line 5	6	24,608.

Part XI Distributable Amount (see page 21 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

1 Minimum investment return from Part X, line 6		1	24,608.
2 a Tax on investment income for 1998 from Part VI, line 5	2a	150.	
b Income tax for 1998. (This does not include the tax from Part VI.)	2b		
c Add lines 2a and 2b	2c	150.	
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	24,458.	
4 a Recoveries of amounts treated as qualifying distributions	4a	NONE	
b Income distributions from section 4947(a)(2) trusts	4b		
c Add lines 4a and 4b	4c	NONE	
5 Add lines 3 and 4c	5	24,458.	
6 Deduction from distributable amount (see page 22 of the instructions)	6	NONE	
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	24,458.	

Part XII Qualifying Distributions (see page 22 of the instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	295,042.
b Program-related investments - total of lines 1-3 of Part IX-B	1b	NONE
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	NONE
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	NONE
b Cash distribution test (attach the required schedule)	3b	NONE
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8 and Part XIII, line 4	4	295,042.
5 Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 22 of the instructions)	5	150.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	294,892.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see page 22 of the instructions)

		(a) Corpus	(b) Years prior to 1997	(c) 1997	(d) 1998
1	Distributable amount for 1998 from Part XI, line 7				24,458.
2	Undistributed income, if any, as of the end of 1997:				
a	Enter amount for 1997 only.			NONE	
b	Total for prior years; <u>1996</u>		NONE		
3	Excess distributions carryover, if any, to 1998:				
a	From 1993	1,625,222.			
b	From 1994	859,485.			
c	From 1995	1,731,472.			
d	From 1996	242,722.			
e	From 1997	256,349.			
f	Total of lines 3a through e	4,715,250.			
4	Qualifying distributions for 1998 from Part XII, line 4: <u>295,042.</u>				
a	Applied to 1997, but not more than line 2a			NONE	
b	Applied to undistributed income of prior years (Election required - see page 23 of the instructions)		NONE		
c	Treated as distributions out of corpus (Election required - see page 23 of the instructions)	NONE			
d	Applied to 1998 distributable amount.				24,458.
e	Remaining amount distributed out of corpus	270,584.			
5	Excess distributions carryover applied to 1998 (If an amount appears in column (d), the same amount must be shown in column (a).)	NONE			NONE
6	Enter the net total of each column as indicated below:				
a	Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	4,985,834.			
b	Prior years' undistributed income. Subtract line 4b from line 2b		NONE		
c	Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		NONE		
d	Subtract line 6c from line 6b. Taxable amount - see page 23 of the instructions		NONE		
e	Undistributed income for 1997. Subtract line 4a from line 2a. Taxable amount - see page 23 of the instructions			NONE	
f	Undistributed income for 1998. Subtract lines 4d and 5 from line 1. This amount must be distributed in 1999				NONE
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 23 of the instructions)	NONE			
8	Excess distributions carryover from 1993 not applied on line 5 or line 7 (see page 23 of the instructions)	1,625,222.			
9	Excess distributions carryover to 1999. Subtract lines 7 and 8 from line 6a	3,360,612.			
10	Analysis of line 9:				
a	Excess from 1994	859,485.			
b	Excess from 1995	1,731,472.			
c	Excess from 1996	242,722.			
d	Excess from 1997	256,349.			
e	Excess from 1998	270,584.			

Part XIV Private Operating Foundations (see page 23 of the instructions and Part VII-A, question 9) NOT APPLICABLE

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 1998, enter the date of the ruling

b Check box to indicate whether the organization is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 1998	(b) 1997	(c) 1996	(d) 1995	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed . . .					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed . . .					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - Enter 2/3 of minimum investment return shown in Part X, line 8 for each year listed					
c "Support" alternative test - enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(ii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year -- see page 24 of the instructions.)

- 1 **Information Regarding Foundation Managers:**
- a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)
- N/A
- b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.
- N/A
- 2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**
- Check here if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc., (see page 24 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.
- a The name, address, and telephone number of the person to whom applications should be addressed:
- N/A
- b The form in which applications should be submitted and information and materials they should include:
- N/A
- c Any submission deadlines:
- N/A
- d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:
- N/A

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<p>a <i>Paid during the year</i></p> <p>SEE STATEMENT 9</p>				
Total				▶ 3a 284,500.
<p>b <i>Approved for future payment</i></p> <p>SEE STATEMENT 11</p>				
Total				▶ 3b 280,500.

STATE OF NEW YORK

County of New York, s:

THE ANNUAL RETURN OF THE HENRY KAUFMANN FOUNDATION for the calendar year ended December 31, 1998 is available at its principal office located at 1585 Broadway, New York, NY 10036 for inspection during regular business hours by any citizen who requests it within 180 days hereof. Principal Manager of the Foundation is PHILLIP J. HIRSCH.

Ana Zaldarriaga, being duly sworn, says that she is the PRINCIPAL CLERK of the Publisher of the NEW YORK LAW JOURNAL, a Daily Newspaper; that the Advertisement hereto annexed has been published in the said NEW YORK LAW JOURNAL one time on the 5th day of April, 1999.

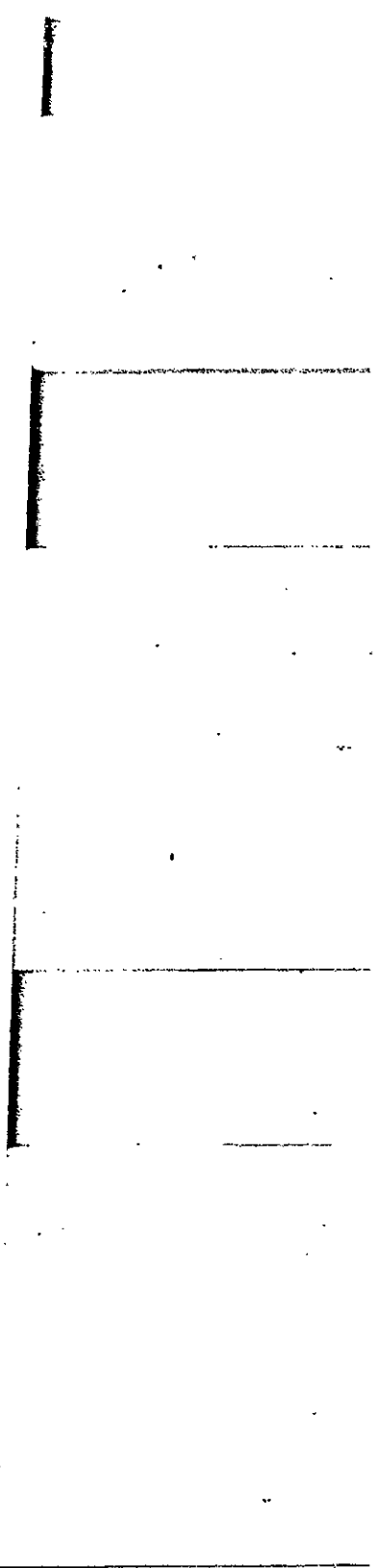
Ana Zaldarriaga

TO WIT: April 5, 1999

SWORN TO BEFORE ME, this 5th day }
of April, 1999.

Christine A. Allen

Christine A. Allen
Notary Public, State of New York
No. 01AL5072870
Qualified in Nassau County
Commission Expires Feb. 10, 2001



FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
U S TREASURY-BILLS	17,185.	17,185.
INTEREST MONEY MARKET	2,563.	2,563.
TOTAL	19,748.	19,748.

136034179

HENRY KAUFMANN FOUNDATION

FORM 990PF, PART I - OTHER INCOME

REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
228.	228.
228.	228.
TOTALS	

DESCRIPTION

MISCELLANEOUS INCOME

FORM 990PF, PART I - LEGAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
PROSKAUER ROSE GOETZ, MENDELSON	13,074.	2,614.		10,46
TOTALS	13,074.	2,614.	NONE	10,46

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	CHARITABLE PURPOSES
CUSTODIAN FEES CHASE BANK	2,275.	2,275.	
ADMINISTRATIVE FEES, FILING &	165.	83.	82.
TOTALS	2,440.	2,358.	82.

HENRY KAUFMANN FOUNDATION

136034179

FORM 990PF, PART II - U.S. AND STATE OBLIGATIONS

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
47M UST 2/6/97 - 2/5/98	44,656.		
160M UST 7/24/97 - 1/22/98	157,259.		
77M UST 9/18/97 - 9/18/98	73,133.		
170M UST 11/13/97 - 11/12/98	161,767.	260,702.	260,702.
274M UST DUE 2/4/99		76,836.	76,836.
78M UST DUE 1/21/99		99,253.	99,253.
100M UST DUE 1/21/99			
TOTALS	436,815.	436,791.	436,791.

HENRY KAUFMANN FOUNDATION

136034179

FORM 990PF, PART II - U.S. AND STATE OBLIGATIONS

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
47M UST 2/6/97 - 2/5/98	44,656.		
160M UST 7/24/97 - 1/22/98	157,259.		
77M UST 9/18/97 - 9/18/98	73,133.		
170M UST 11/13/97 - 11/12/98	161,767.	260,702.	260,702.
274M UST DUE 2/4/99		76,836.	76,836.
78M UST DUE 1/21/99		99,253.	99,253.
100M UST DUE 1/21/99			
TOTALS	436,815.	436,791.	436,791.

FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCES
=====

DESCRIPTION -----	AMOUNT -----
PRIOR PERIOD ADJUSTMENT	228.
TOTAL	----- 228. =====

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

TITLE AND TIME
DEVOTED TO POSITION

NAME AND ADDRESS

PHILIP J. HIRSCH
1585 BROADWAY
NEW YORK, N.Y. 10036

PRES/DIR
PART

WILLIAM T. GOLDEN
1585 BROADWAY
NEW YORK, N.Y. 10036

TRES/DIR
PART

JEFFREY A. HORWITZ
1585 BROADWAY
NEW YORK, N.Y. 10036

SECRETARY
PART

JOHN M. WOLF, SR.
1585 BROADWAY
NEW YORK, N.Y. 10036

DIRECTOR
PART

CHARLES LOOKER
1585 BROADWAY
NEW YORK, N.Y. 10036

DIRECTOR
PART

FREDERICK P. ROSE
1585 BROADWAY
NEW YORK N.Y. 10036

DIRECTOR
PART

ARNOLD LEVINE
1585 BROADWAY
NEW YORK, NY 10036

DIRECTOR
PART

MITCHELL A. DROSSMAN
1585 BROADWAY
NEW YORK, NY 10036

ASST/SECT
PART

HENRY KAUFMANN FOUNDATION

136034179

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

TITLE AND TIME
DEVOTED TO POSITION

NAME AND ADDRESS

GRAND TOTALS

HENRY KAUFMANN FOUNDATION

136034179

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR

AND

FOUNDATION STATUS OF RECIPIENT

PURPOSE OF GRANT OR CONTRIBUTION

AMOUNT

RECIPIENT NAME AND ADDRESS

JEWISH BOARD OF FAMILY & CHILDRENS SERVICES

GENERAL

70,000.

HEBREW HOME FOR THE AGED AT RIVERDALE

GENERAL

70,000.

JEWISH COMMUNITY CENTER OF PITTSBURGH

GENERAL

70,000.

JEWISH COMMUNITY CENTER ON UPPER WEST SIDE

GENERAL

70,000.

HARED CONSERVATORY OF MUSIC, INC.

GENERAL

500.

JEWISH FED SO PALM BEACH

500.

JEWISH FAMILY SERVICE SO PALM BH

2,000.

MAKE A WISH FND SO PLA, INC.

1,500.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR

AND

FOUNDATION STATUS OF RECIPIENT

RECIPIENT NAME AND ADDRESS

PURPOSE OF GRANT OR CONTRIBUTION

AMOUNT

TOTAL CONTRIBUTIONS PAID
284,500.
=====

HENRY KAUFMANN FOUNDATION

136034179

FORM 990PF, PART XV - CONTRIBUTIONS APPROVED FOR FUTURE PAYMENT

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR
AND
FOUNDATION STATUS OF RECIPIENT

RECIPIENT NAME AND ADDRESS

PURPOSE OF GRANT OR CONTRIBUTION

AMOUNT

SEE ATTACHED STATEMENT - 11A

280,500.

TOTAL CONTRIBUTIONS APPROVED

280,500.